

MEMORANDUM

SUBJECT: Intelligence Budget Secrecy

CIA is strongly opposed to the disclosure of the budgets of either the intelligence community or CIA budgets, for the following reasons.

1. Disclosure of intelligence budgets would provide potential adversaries with significant insight into the nature and scope of our national foreign intelligence effort. Year-to-year changes in budget levels (particularly if they are sizeable as they sometimes have been in the past), taken together with other information, will make possible much better conclusions about the future direction of major Intelligence Community programs. The U.S. Government would benefit considerably from access to this same information with respect to the Soviet intelligence effort.

2. Once an intelligence budget figure is made public, it will be impossible to prevent the disclosure of many sensitive and critically important intelligence programs and activities. An immediate requirement would be levied to explain precisely which of our intelligence activities were covered and which were not. Definitional questions over where "intelligence" expenditures stop and operational expenditures begin would necessarily lead to public discussion of sensitive intelligence programs and techniques.

Publication of intelligence budget figures would result in debate on changes or trends developed in succeeding year figures, and fluctuations in the figure would generate demands for explanations which in turn would reveal the component parts of the figure and the programs supported by it. The history of disclosure of Atomic Energy Commission budget materials and related information by both the Executive branch and the Congress indicates that publication of any figure with respect to intelligence would quickly stimulate pressures for further disclosure and probes by various sectors into the nature of the figure and its component elements.

3. It is asserted that the public will be better able to make a judgment that the size of the CIA budget is appropriate to American needs if the overall size of the budget is made known. Yet public knowledge of only the CIA total will not significantly increase the public's ability to make any judgment about the appropriateness of the CIA program. Without further detail and understanding of the various programs which make up the budget, and the activities and capabilities of our adversaries, no significant conclusion can be drawn about the appropriateness of the funding level or the programs provided for within it.

4. It has been asserted that CIA budgetary secrecy is unconstitutional, in light of Article I, Section 9, Clause 7 of the Constitution, which states:

"No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time."

Though there has been no effective judicial test of the procedures which have been in effect since the passage of the 1947 and 1949 Acts establishing CIA, CIA believes that present procedures are fully in accord with the Constitution. Agency appropriations are an integral part of appropriations made by law and are reflected in the Treasury's Statement and Account of Receipts and Expenditures in compliance with Article I, Section 9, Clause 7 of the Constitution. Moreover, there is considerable historical precedent for budgetary secrecy, going back to the debates in Constitutional Conventions and the use of a secret fund during the administrations of Washington and Madison, and a secret appropriations act in 1811.

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